FEDERAL COMMUNICATIONS COMMISSION 445 TWELFTH STREET, S.W. WASHINGTON, D.C. 20554

News media information 202/418-0500 Fax-On-Demand 202/418-2830 Internet: http://www.fcc.gov

DA 12-1382

Released: August 22, 2012

GCI COMMUNICATION CORP., ACS WIRELESS LICENSE SUB, INC., ACS OF ANCHORAGE LICENSE SUB, INC., AND UNICOM, INC. SEEK FCC CONSENT TO THE ASSIGNMENT OF LICENSES TO THE ALASKA WIRELESS NETWORK, LLC

WT Docket No. 12-187 WC Docket No. 09-197

PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: September 21, 2012
Oppositions Due: October 1, 2012
Replies Due: October 11, 2012

I. INTRODUCTION

GCI Communication Corp. ("GCI"), its wholly-owned subsidiary Unicom, Inc. ("Unicom"), and ACS Wireless License Sub, Inc. and ACS of Anchorage License Sub, Inc. (together, "ACS License Subs," and together with GCI and Unicom, the "Applicants"), have filed four separate applications (collectively, the "Applications")¹ pursuant to Section 310(d) of the Communications Act of 1934, as amended (the "Act"), seeking consent to assign spectrum licenses to a newly formed wholly-owned subsidiary of GCI Wireless Holdings, LLC, The Alaska Wireless Network, LLC ("AWN"). As a result of the Applications, the Applicants would assign to AWN one Advanced Wireless Service license, 21 cellular licenses, eight Personal Communications Service licenses, and a number of microwave and industrial radio licenses, which together cover portions of Alaska's four Cellular Market Areas ("CMAs"). AWN also has filed an application pursuant to Section 214 for authority to provide global international resale services. The Applicants also seek a declaratory ruling on their status post-transaction as eligible telecommunications carriers under section 214(e) of the Act.

¹ Applications of GCI Communication Corp., ACS Wireless License Sub, Inc., ACS of Anchorage License Sub, Inc., and Unicom, Inc. for Consent to Assign Licenses to the Alaska Wireless Network, LLC, ULS File Nos. 0005257725, 0005257737, 0005259928, and 0005260034 (filed June 18, 2012) ("Applications").

² 47 U.S.C. § 310(d).

³ GCI Wireless Holdings, LLC is a wholly-owned subsidiary of GCI.

⁴ See Applications, ACS-GCI Public Interest Statement (Revised)("Public Interest Statement"), Appendix A, B and ACS-GCI Spectrum Analysis.

⁵ 47 U.S.C. § 214(a).

⁶ Applications, ACS-GCI Petition for Declaratory Ruling (Revised)("Petition for Declaratory Ruling").

GCI and ACS Wireless Inc. ("ACS Wireless"), a wholly-owned subsidiary of Alaska Communications Systems Holdings, Inc., would contribute substantially all of their respective wireless infrastructures and associated Title III authorizations to AWN. To accomplish this, at closing the ACS License Subs would assign wireless authorizations and associated network facilities to ACS Wireless. GCI then would purchase a portion of ACS Wireless's assets, potentially including some wireless authorizations, for \$100 million and then contribute these assets to AWN, along with its own wireless assets. ACS Wireless and GCI also would contribute to AWN, either directly or through a combination of service agreements and indefeasible rights of use, network assets, cell site and tower infrastructure, roaming agreements, certain backhaul and fiber facilities, and undersea capacity. After closing, GCI would hold a 66 2/3 percent equity interest in AWN, and ACS Wireless would hold a 33 1/3 percent equity interest in AWN.

Under this structure, AWN would develop and sell to ACS Wireless and GCI wholesale wireless services plans on a non-discriminatory basis using the contributed spectrum and infrastructure. ACS Wireless and GCI propose that they would continue to market and sell standalone wireless retail services, separately branding and pricing their individual wireless offerings, and they say that no retail customers would be transferred to AWN. Therefore, AWN would support both ACS Wireless's and GCI's current retail service plans to existing customers for at least two years. The Applicants contend this transaction would result in savings by minimizing duplicative infrastructure, investment, and operational costs, while providing both ACS Wireless and GCI with access to approximately twice as much spectrum as each holds individually. According to the Applicants, these efficiencies would help sustain and promote the availability of wireless services throughout Alaska, including remote and sparsely populated areas that are costly to serve. Also, the Applicants state that the transaction would enhance their ability to provide advanced wireless broadband services, including Long Term Evolution (LTE) services in Alaska.

Preliminary review of the Applications indicates that the proposed assignment of licenses would result in AWN holding up to 160 megahertz of mobile spectrum in two of the CMAs (CMA 315 Alaska 1 – Wade Hampton and CMA317 Alaska 3 – Haines) and up to 150 megahertz of mobile spectrum in CMA 316 Alaska 2 – Bethel.

Given the expectation that confidential information will be filed in this proceeding to develop a more complete record on which to base a decision, the Wireless Telecommunications Bureau has issued two protective orders.¹⁴

⁷ See Public Interest Statement at 7-9.

⁸ See id. at 9-14.

⁹ See id. at 12.

¹⁰ See id. at 11-12.

¹¹ See id.

¹² See id. at 1-2, 14-17.

¹³ See id. at 1-2, 17-23.

¹⁴ Applications of GCI Communication Corp., ACS Wireless License Sub, Inc., ACS of Anchorage License Sub, Inc., and Unicom, Inc. For Consent To Assign Licenses to The Alaska Wireless Network, LLC, WT Docket No. 12-187, *Protective Order*, DA 12-1061 (rel. July 3, 2012); Applications of GCI Communication Corp., ACS Wireless License Sub, Inc., ACS of Anchorage License Sub, Inc., and Unicom, Inc. For Consent To Assign Licenses to The Alaska Wireless Network, LLC, WT Docket No. 12-187, *Second Protective Order*, DA 12-1060 (rel. July 3, 2012).

II. SECTION 310(d) APPLICATIONS

The following applications for consent to the assignment of licenses have been assigned the following file numbers:

File No.	<u>Licensee/Assignor</u>	Assignee	Lead Call Sign
0005257725	ACS of Anchorage License Sub, Inc.	The Alaska Wireless Network, LLC	WPYS365
0005257737	ACS Wireless License Sub, Inc.	The Alaska Wireless Network, LLC	KNKA480
0005259928	GCI Communication Corp.	The Alaska Wireless Network, LLC	KNLF297
0005260034	Unicom, Inc.	The Alaska Wireless Network, LLC	KNKR275

III. INTERNATIONAL SECTION 214 APPLICATION

The application for a global resale international 214 authorization to be held by The Alaska Wireless Network, LLC has been assigned the file number ITC-214-20120618-00162.

IV. PETITION FOR DECLARATORY RULING

The Applicants also have filed a petition seeking a declaratory ruling from the Commission that, following their contribution of network facilities and spectrum licenses to AWN, ACS License Subs and GCI, as eligible telecommunications carriers, will continue to provide services over their "own facilities" for purposes of Section 214(e) of the Act and the Commission's rules, ¹⁵ will continue to have access to the spectrum that will be licensed to and managed by their facilities-sharing joint venture for purposes of section 54.1003(b) of the Commission's rules, ¹⁶ and will be in compliance with any similar provisions for Mobility Fund Phase II or other high-cost support mechanisms for mobile services established by the Commission. ¹⁷

V. EX PARTE STATUS OF THIS PROCEEDING

As previously announced, the Applications will be governed by permit-but-disclose *ex parte* procedures ¹⁸ that are applicable to non-restricted proceedings under Section 1.1206 of the Commission's rules. ¹⁹ Parties making oral *ex parte* presentations are directed to the Commission's revised *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed. ²⁰ More than a one- or two-sentence description of the views and arguments presented is generally required. ²¹ Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well. ²²

¹⁵ 47 U.S.C. § 214(e)(1)(A); 47 C.F.R. § 54.201(d)(1).

¹⁶ 47 C.F.R. § 54.1003(b).

¹⁷ See Petition for Declaratory Ruling.

¹⁸ Applications Proposing the Assignment of Licenses from Affiliates of Alaska Communications Systems Group, Inc. and General Communication, Inc. to The Alaska Wireless Network, LLC Are Now Governed By Permit-But-Disclose *Ex Parte* Procedures, WT Docket No. 12-187, *Public Notice*, DA 12-1219 (rel. July 30, 2012).

¹⁹ 47 C.F.R. § 1.1206.

²⁰ See 47 C.F.R. § 1.1206(b)(1).

²¹ See id.

²² *Id.* § 1.1206(b).

IV. GENERAL INFORMATION

The assignment applications referenced herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **September 21, 2012**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Oppositions to such pleadings must be filed no later than **October 1, 2012**. Replies to such pleadings must be filed no later than **October 11, 2012**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 12-187.

To allow the Commission to consider fully all substantive issues regarding the Applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.²³ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents,²⁴ submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by hand delivery to the Commission.

- If filed by ECFS, 25 comments shall be sent as an electronic file via the Internet to http://www.fcc.gov/e-file/ecfs.html. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties may also submit an electronic comment by Internet e-mail.
- If filed by paper, the original and four copies of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

²³ See 47 C.F.R. §1.45(c).

²⁴ See FCC Announces Change in Filing Location for Paper Documents, Public Notice, 24 FCC Rcd 14312 (2009).

²⁵ See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) the Commission's duplicating contractor, Best Copy and Printing, Inc., at FCC@BCPIWEB.COM or (202) 488-5563 (facsimile); (2) Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at kathy.harris@fcc.gov or (202) 418-7447 (facsimile); (3) Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at linda.ray@fcc.gov or (202) 418-7247 (facsimile); (4) Kate Matraves, Spectrum and Competition Policy Division, Wireless Telecommunications Bureau, at catherine.matraves@fcc.gov or (202) 418-7447 (facsimile); (5) David Krech, International Bureau, at david.krech@fcc.gov or (202) 418-2824 (facsimile); (6) Alexander Minard, Wireline Competition Bureau, at alexander.minard@fcc.gov or (202) 418-7361; and (7) Jim Bird, Office of General Counsel, at jim.bird@fcc.gov or (202) 418-1234 (facsimile).

Copies of the applications and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc. in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via e-mail at FCC@BCPIWEB.COM. The applications and any associated documents also are available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications also are available electronically through ULS, which may be accessed on the Commission's Internet website. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov; phone: (202) 418-0530 or TTY: (202) 418-0432.

For further information, contact Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at (202) 418-0609, Kate Matraves, Spectrum and Competition Policy Division, Wireless Telecommunications Bureau, at (202) 391-6272, or David Krech, International Bureau, at (202) 418-7443.

-FCC-